California Health Information Exchange Operational Plan

Presented at Cal eConnect Kickoff Board Meeting
March 25, 2010

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Background on HIE Cooperative Agreement

- ARRA and the HITECH Act
  - State HIE Cooperative Agreement Program
  - CA awarded $38.8 million for HIE development (2010-2013)
  - Flexible, but approach must enable “meaningful use” of EHRs
- Meaningful Use (MU) NPRM* Released Dec. 2009
  - 3 Stages of MU (Only Stage 1 Criteria specified so far)
  - MU linked to Medicare/Medicaid Incentive Payments, starting Oct. 2010 and going through 2015+
  - Requirements for exchange expected to increase by stage
  - Final rule expected late Spring
- State HIE must be ready to support eligible providers to achieve MU through platform of shared services

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*Notice of Proposed Rulemaking

HIE-Dependent Stage 1 Meaningful Use Criteria

- Transmit prescriptions electronically (eRx)
- Incorporate clinical lab test results into EHR
- Check insurance eligibility electronically
- Submit claims electronically
- Provide patients with electronic discharge instructions
- Exchange key clinical information among providers
- Provide patients with electronic access to health info
- Provide summary-of-care record for each transition of care and referral
- Submit electronic information to immunization registries
- Submit reportable lab results to public health
- Provide electronic syndromic surveillance data to public health

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Purpose

To dramatically improve safe and secure patient and provider access to personal health information and decision making processes, benefiting the health and wellbeing, safety, efficiency, and quality of care for all Californians.

Goals

1. To ensure patients have safe, secure access to their personal health information and the ability to share that information with others involved in their care
2. To engage in an open, inclusive, collaborative, public-private process that supports widespread EHR adoption and a robust, sustainable statewide health information exchange
3. To improve health care outcomes and reduce costs
4. To maximize California stakeholders' access to critical ARRA stimulus funds
5. To integrate and synchronize the planning and implementation of HIE, HIT, telehealth and provider incentive program components of the federal stimulus act
6. To ensure accountability in the expenditure of public funds
7. To improve public and population health through stronger public health program integration, bio-surveillance and emergency response capabilities

Cal eConnect

- The Role of Cal eConnect and workgroups
- Formed when the California eHealth Collaborative (CAeHC) and CalRHIO submitted a joint proposal in response to the RFI
- Will manage a collaborative process to develop and enforce policy guidance (privacy and security policities) through grants and contracts
- Will support grant making and procurement processes
- Will revise strategic and operational plan
- Develop sustainability model
- Carry out additional requirements described in state grant
- Operational plan is a set of recommendations for Cal eConnect to consider and revise

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Governance Entity Board of Directors

1. California Assembly Committee on Health Chair
2. California Senate Committee on Health Chair
3. California Secretary of the Health & Human Services Agency
4. California State Administrator (determined by State, may include the Department of Health Care Services, Department of Managed Health Care or other departments)
5. CEO of the HIE-GE
6. Co-chair (at-large – 1)
7. Co-chair (at-large - 2)
8. Consumer (1)
9. Consumer (2)
10. Employer
11. Health Informatics
12. Health information exchange organization
13. Health information exchange organization
14. Health Plan – private
15. Health Plan - public
16. Hospital - private
17. Hospital - public
18. Labor
19. Physician – Independent
20. Physician – Medical Group
21. Public health (local public health officer)
22. Safety net clinic

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Timeline

- ARRA signed - 2/09
- CA HIE Strategic Plan Submitted – 9/09
- MU Criteria Proposed – 12/09
- Cooperative Agreement Awarded – 2/10
- Governance Entity Announced – 3/10
- HIE Operational Plan Due – 3/10
- Implementation Plan Complete – 7/10
- Initial Procurements – 8-9/10
- Go-live – 10/10

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Overview of Operational Plan

What we have and what we need – next steps

- Governance
- Landscape and Capacity Assessment
- Technical Infrastructure and Design Approach
- Business and Technical Operations
- Patient Engagement
- Vulnerable and Underserved Populations and their Providers
- Legal and Policy
- Finance
- Evaluation

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Three Models

- **Decentralized**: Cal eConnect develops a set of rules and guidelines (technical standards, privacy policy guidance, financial, etc.) and issues grants to communities, and requires through their grant agreements that these regions meet these rules/requirements/standards. There are no core or central services, only guidance and grant/ contractual agreements.

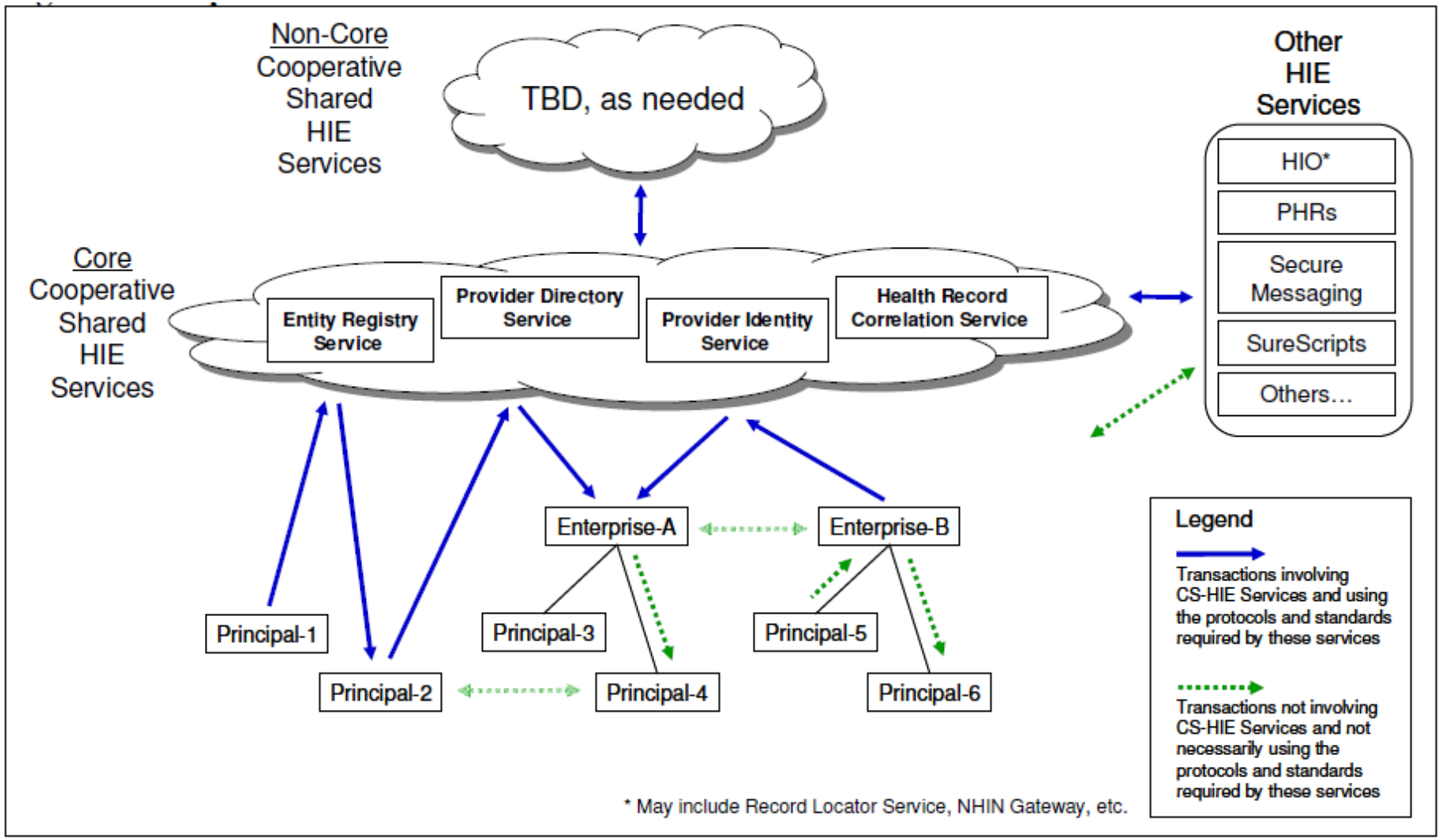
- **Mixed Model:** Some grants to communities/organizations with similar requirements as above, but it would also commit resources to support at a minimum set of "core services" that communities could use.

- **Centralized**: All resources devoted to a set of central services, developing and supporting the required services for meaningful use for any provider requesting them.

Why a Mixed Model

- Leverages existing infrastructure where viable, extends scope and scale where applicable
- Supports regions and eligible hospitals & providers where no infrastructure exists
- Allows networks to connect with each other: “network of networks”
- Require the use of open standards that all must adhere to
- Could rely on Intenet protocols (i.e., TCP/IP) for routing

Proposed HIE Architecture for California



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California HIE Operational Plan Draft, http://www.ehealth.ca.gov/

Individual Reports

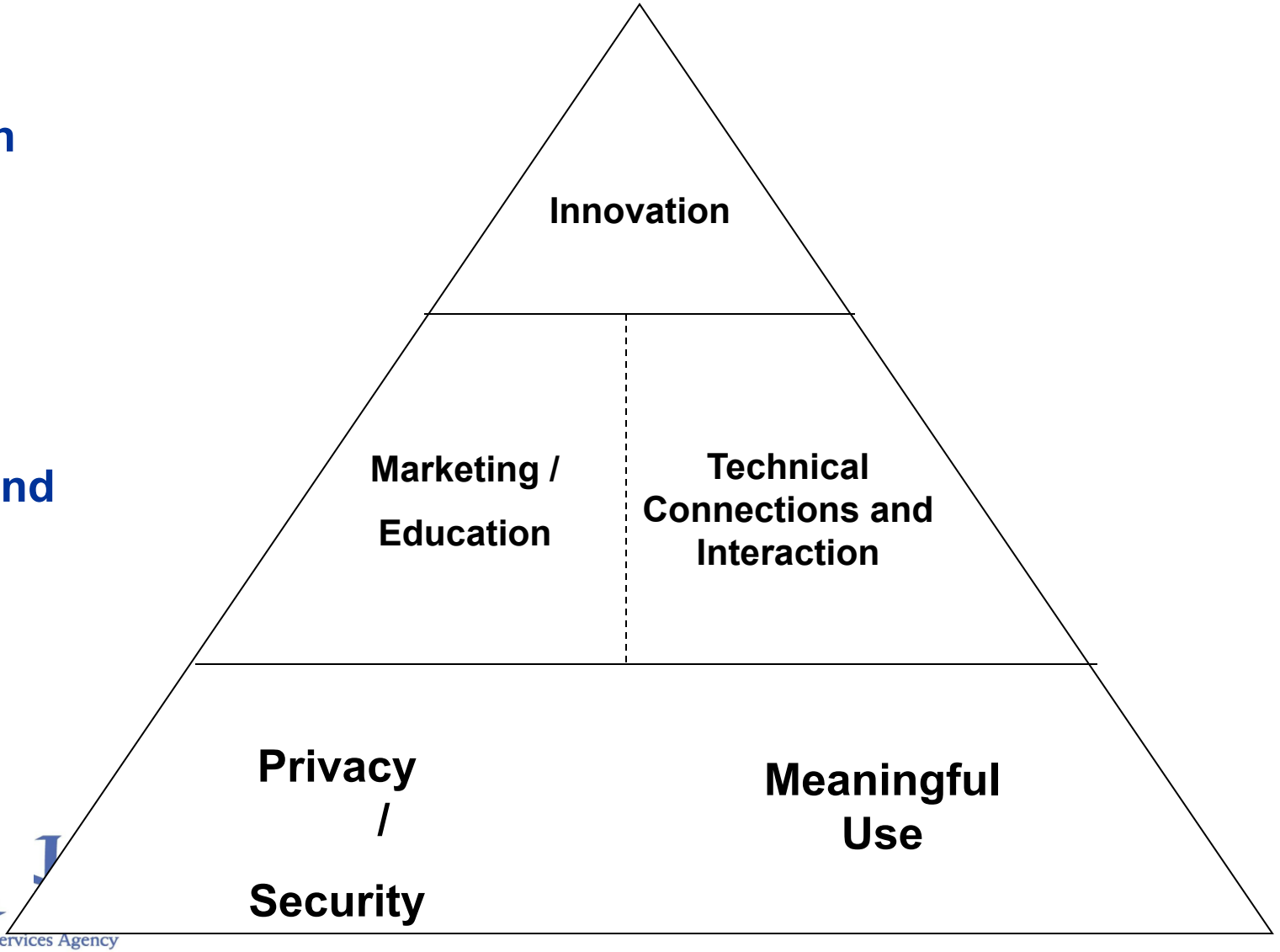
- Patient Engagement
- Vulnerable/Underserved Populations
- Privacy/Security
- Medi-Cal
- Public Health
- Technical Architecture
- Finance

Patient Engagement Perspective

Evolving with Patients

Enabling Awareness and Interaction

Ensuring Patients Participate



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Vulnerable Population Issues:

- Needs:
  - Enhanced privacy protection
  - Greater coordination of care
  - Improved health literacy
  - Simplified administration
- Proposed Solution:
  - Dedicated Program Manager at Cal eConnect to represent these patients, identify solutions, and advocate for resolution

Vulnerable/Underserved Provider Issues

- Needs:
  - Integration of up to 150 disparate health and social services databases and systems
  - Technical assistance for county and state mental health agencies
  - Lack of financial support and incentives for many vulnerable and underserved providers
  - Reduce State waste and expense by HIE collaboration

- Proposed Solutions:
  - A complete inventory, prioritization and lifecycle plan for the integration of Public Health, Behavioral Health, Social Services, Health Services and Corrections information systems
  - A representative of the SDE join the California Mental Health Directors Association Information Technology Committee to assist their planning process
  - Identification of sustainable services and synergies
  - Identification of additional financial resources to support V/U HIE

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ISSUES: Rural Providers

- Needs:
  - 29 Critical Access Hospitals need up-front funding
  - 65 Rural Communities need technical assistance and HIE infrastructure to achieve meaningful use
- Proposed Solution: Rural Program Manager at Cal eConnect
  - Perform initial technical assessments for each community including a rough project plan, budget and ROI analysis.
  - Develop standards, tool kits and group purchasing agreements to enable efficient implementation.
  - Identify/provide funding for adequate local planning and HIE infrastructure through the Rural Health Information Technology Consortium (RHITC).
  - Foster sustainable community-based HIE business models.

Align governance of Privacy & Security

- CalPSAB chair on Cal eConnect Board
- Cal eConnect Privacy & Security Director on CalPSAB
- No duplication/silos of efforts
- Implementation issues reported back to CalPSAB
- Funded entities participate in CalPSAB

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Medi-Cal EHR Incentive Program

- Update on Planning Process
- New MMIS
  - HIE Hub
- Partnerships
  - RECs
  - Cal eConnect
  - Managed Care Plans

Public Health Infrastructure Interfaces for California HIE and NHIN

- Improve public health IT infrastructure to allow:
  - receipt of electronic health data
  - transformation of data into information
  - dissemination of information to policy makers, health care providers, and the public.
- Public health will need upgrades in capacity and service to meet the business needs that support engagement in the California HIE and the nationwide health information network (NHIN)

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Health Information Delivery

for policy makers, health care providers & public

- To realize the benefit of health information exchange, health data must be transformed to useful information that can be understood by all policy makers, health care providers and the public
  - Delivery of population information about the health of communities
  - Data dissemination to providers to inform care
  - Reporting on disease patterns and interventions as with the novel H1N1 pandemic

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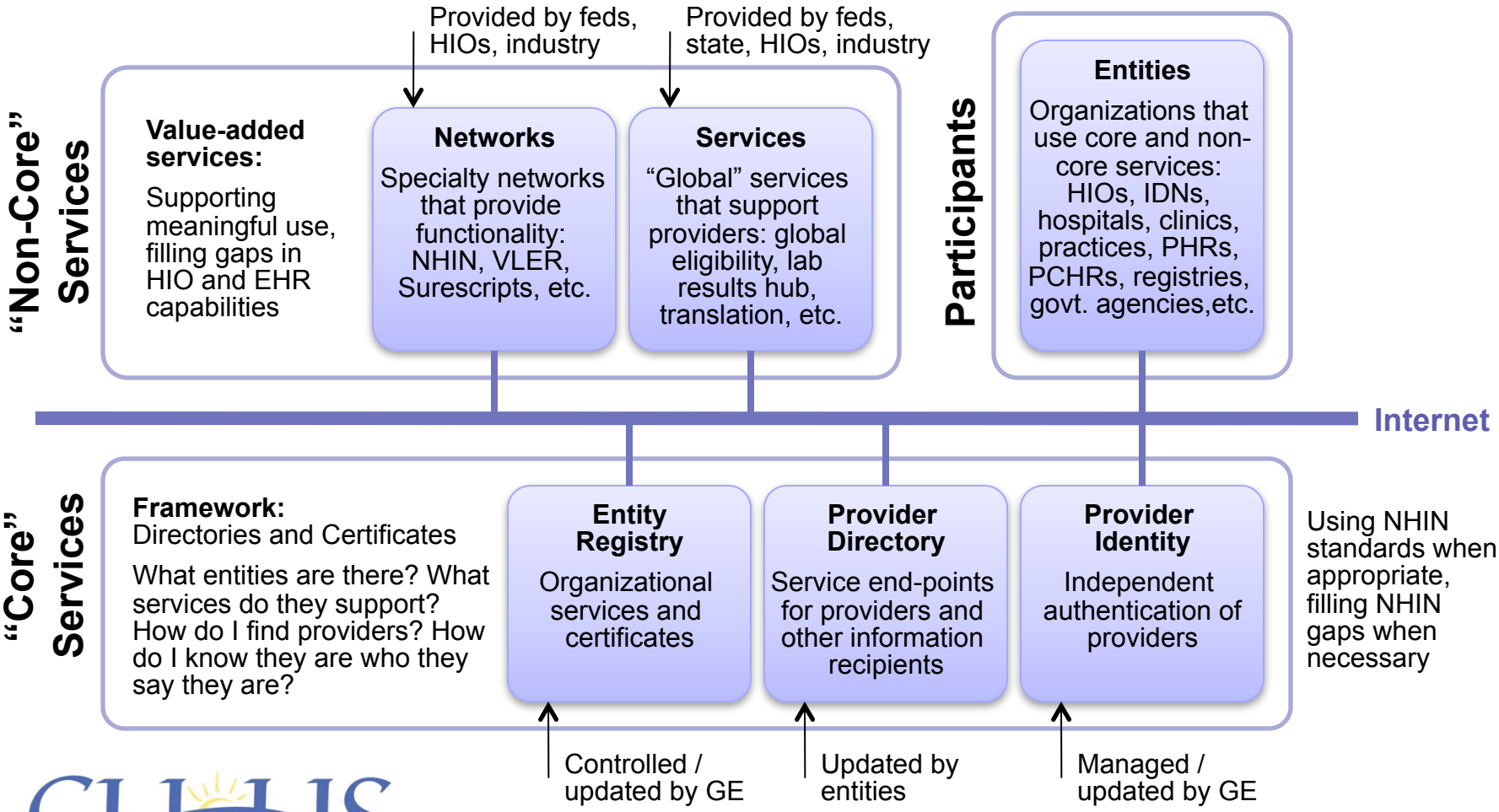
Proposed Technical Architecture



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Finance

Estimated Total HIE Costs

State	Population	Area (Square Miles)	HIE Budget
Vermont	.62	9,615	$32 Million
New York	19.3	54,000	$1 Billion
California	36.5	164,000	$1 - $2 Billion

Funding Options

Savings gain-sharing, or sharing with the HIE cost savings enabled by the exchange.

Access Charges and Subscription Fees: Possible fee structures would include a look-up charge, accessing patient data or results delivery or subscription fees based on the size and type of organization.

Taxes: a new State tax designated for the purpose of supporting HIE (would require two-thirds vote of the State legislature and) may be politically difficult; bond issuance; health plan claims surcharges; dedicated local or regional taxes.

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Finance: Budget Approach

- Offered 3 models for GE consideration
- Recommendation from CHHS: "Mixed-Model" Approach
  - Viable HIOs would receive grant funding to expand scope and/or scale
  - GE would offer services to eligible providers who don't have access to existing HIE service providers
- Revised original budget submitted to ONC to reflect more decentralized model

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Sustainability Approach

- Compiled a list of potential revenue sources for local HIOs and State-level shared services
  - Taxes
  - Access charges & subscription Fees
  - Savings gain-sharing
- Devised an 18-month workplan to develop a sustainability model

Finance Next Steps

- Determine which core and non-core services are sustainable without grant funding or taxation and will add revenue to support the GE
- Consider and incorporate, as appropriate, final requirements from patient engagement and V/U groups
- Begin working with GE to better understand budget requirements

Implementation Plan Workplan Summary

- April 2009
  - Receive 90 day Planning Grant from State
  - Establish Bylaws, policies and procedures, appoint full board, hire CEO and interim staff
  - Contract with content experts (technology, finance, communications) to translate Operational Plan into detailed tasks
- May 2009
  - Draft Implementation Grant proposal and submit to State
  - Re-engage public workgroups for feedback
  - Begin to implement staffing and resource plan
- June 2009
  - Complete Implementation Plan
  - Draft HIE services procurement RFPs
  - Transition fully from PBGH incubation
- July 2009
  - Receive Implementation Grant from State, Execute Plan